SENATE COMMITTEE AMENDMENTS

Amendments proposed by Senate Committee on Natural Resources to Reengrossed House Bill No. 841 by Representative Arnold

1 <u>AMENDMENT NO. 1</u>

- On page 1, line 2, after "To" delete the remainder of the line and delete lines 3 through 20 and delete page 2 and insert:
 - "amend and reenact R.S. 30:124, relative to the State Mineral and Energy Board; to provide for alternate energy resources; to authorize the State Mineral and Energy Board to lease state lands for the exploration, development, and production of energy from alternative energy resources; to provide definitions, terms, and conditions; to provide for rulemaking authority; to provide for approval of certain leases by port or port, harbor, and terminal districts; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 30:124 is hereby amended and reenacted to read as follows: §124. Board may lease public lands; fee

A. The legislature finds that the state, through the Department of Natural Resources, should promote the generation and use of alternative energy sources, including but not limited to wind energy, geothermal energy, solar energy, and hydrokinetic energy, throughout the state to ensure the viability of the state's natural resources, to provide a continuing utility-scale clean energy source for the citizens and businesses of Louisiana, to support economic development through job retention and creation in Louisiana, and to promote a clean environment.

<u>B.</u> The State Mineral and Energy Board, hereinafter referred to as the "board", has authority to lease for the development and production of minerals, oil, and gas, or alternative energy sources, any lands belonging to the state, or the title to which is in the public, including road beds, water bottoms, vacant state lands, and lands adjudicated to the state at tax sale. The board, in consultation with the Department of Transportation and Development, shall adopt rules and regulations in accordance with the Administrative Procedure Act to implement the provisions of this Subpart.

C. As used in this Section, "alternative energy sources" means energy sources other than oil, gas, and other liquid, solid or gaseous minerals. It shall include, but not be limited to, wind energy, geothermal energy, solar energy, and hydrokinetic energy. It shall not include the cultivation or harvesting of biomass fuels or the use of state land or water bottoms for facilities which utilize biomass fuel to produce energy.

D. No lease shall be granted for hydrokinetic energy development that is inconsistent with the terms of a preliminary permit, license, exemption, or other authorization issued by the Federal Energy Regulatory Commission pursuant to its authority under the Federal Power Act, 16 U.S.C. Sec 791a, et seq.

E.(1)(a) No lease affecting the following lands shall be granted for alternative energy sources development on such lands without prior written approval of a port or port, harbor, and terminal district:

- (i) Lands held in title by the port or port, harbor, and terminal district or held by lease or servitude by such port or port, harbor, and terminal district.
- (ii) Public navigable waters that flow through any lands within the jurisdiction of a port or port, harbor, and terminal district. Approval pursuant to this Item shall not be unreasonably withheld unless such lease would be detrimental to the needs of commerce and navigation.
- (b) No port or port, harbor, and terminal district shall receive compensation for their approval.

1	(2) After the port or port, harbor, and terminal district decides
2	whether or not to grant approval, the board shall send a notice by certified
3	mail to the lease applicant for alternative energy sources development. The
4	notice shall include the following:
5	(a) The decision of the port or port, harbor, and terminal district to
6	provide either prior written approval of the lease or to deny approval of such
7	<u>lease.</u>
8	(b) If the port or port, harbor, and terminal district does not grant
9	prior written approval, notice that the lease applicant has sixty days from
10	receipt of the notice to request an administrative hearing with the division of
11	administrative law pursuant to Chapter 13-B of Title 49 of the Louisiana
12	Revised Statutes. The request for an administrative hearing shall be filed
13	with the division of administrative law, with copies mailed to the board and
14	the port or terminal district.
15	(3) The port or port, harbor, and terminal district which does not
16	grant prior written approval of a lease shall have the burden of proof, at the
17	administrative hearing, that the lease is detrimental to the needs of commerce
18	and navigation.
19	(4) The port or port, harbor, and terminal district shall contract with
20	the division of administrative law to conduct the hearing. The administrative
21	law judge may, in his discretion, assess the costs of the administrative
22	hearing and reasonable attorney fees of the prevailing party against the losing
23	party.
24	(5) Notwithstanding any provision of the law to the contrary, the lease
25	applicant or the port or port, harbor, and terminal district may petition the
26	district court for the parish of East Baton Rouge for judicial review of any
27	final decision or order of the administrative law judge.
28	<u>F.</u> The mineral board is further authorized to collect a fee for such
29	leasing in the amount of ten percent of the total cash bonus paid at the lease
30	sale. The fee shall be in addition to the total cash bonus paid."

31 <u>AMENDMENT NO. 2</u>

32 On page 3, delete lines 1 through 8